

Message Text

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70

ACTION ARA-20

INFO OCT-01 ISO-00 OPIC-12 AEC-11 AID-20 CEA-02 CIAE-00

CIEP-03 COME-00 DODE-00 EB-11 FPC-01 H-03 INR-11

INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07 RSC-01 SAM-01

SCI-06 SP-03 SS-20 STR-08 TRSE-00 FRB-03 FEA-02 PA-04

PRS-01 IGA-02 DRC-01 /173 W
----- 119484

R 192000Z AUG 74

FM AMEMBASSY QUITO

TO SECSTATE WASHDC 2173

INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 5480

E.O. 11652: GDS

TAGS: EINV, ENGR, EC

SUBJECT: PETROLEUM: ADA CASE

REF: QUITO 5422

1. FOLLOWING IS ADA TRANSLATION OF COMMUNICATION RECEIVED
FROM MINISTER OF NATURAL RESOURCES JARRIN AFTER AUGUST 5 MEET-
ING OF HIGH LEVEL COMMISSION.

BEGIN TEXT:

OFFICIAL COMMUNICATION NO. 74-314-DM

QUITO, AUGUST 7, 1974

DOCTOR CARLOS JIMENEZ SALAZAR

DEAR SIR:

FOR YOUR INFORMATION I ATTACH THE NOTE PREPARED BY THE
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ATTORNEY GENERAL OF THE NATION WHICH SUMMARIZES THE RESOLUTION

ADOPTED BY THE COUNCIL OF THE CABINET AND THE SPECIAL COMMISSION
APPOINTED TO STUDY THE MATTERS RELATING TO THE EXPLOITATION OF
HYDROCARBONS IN THE GULF OF GUAYAQUIL.

YOURS VERY TRULY,

GOD, COUNTRY AND LIBERTY

GUSTAVO JARRIN AMPUDIA, NAVY CAPTAIN E.M.

MINISTER OF NATURAL AND ENERGY RESOURCES

ATTACHMENT

RESOLUTION OF THE CABINET WITH RESPECT TO THE EXPLORATION OF
HYDROCARBONS IN THE GULF OF GUAYAQUIL WHICH IS TO BE COMMUNICAT-
ED TO THE CONSORTIUM CALLED ADA.

1. THAT FOR THE EXPLORATION IN THE HYDROCARBON AREAS OF THE
GULF OF GUAYAQUIL, A CALL FOR BIDS BE MADE TO NATIONAL AS WELL
AS FOREIGN FIRMS.
2. THAT SAID CALL BE MADE WITH RESPECT TO TWO TYPES OF BASES:
ONE FOR LOT NO. 11 AND THE OTHERS FOR THE REMAINING LOTS.
3. THAT ANY COMPANY, INCLUDING THE SO-CALLED ADA CONSORTIUM,
MAY PARTICIPATE FREELY IN THE COMPETITIVE BIDDING FOR ONE OR
MORE LOTS.
4. THAT INDEPENDENTLY OF THE COMPETITIVE BIDDING, A COMMISSION
BE APPOINTED, COMPOSED OF THE BOARD OF DIRECTORS OF CEPE; THE
MINISTER OF FOREIGN RELATIONS, IN REPRESENTATION OF THE FOREIGN
FRONT; THE MINISTER OF GOVERNMENT, IN REPRESENTATION OF THE
INTERNAL FRONT; AND THE ATTORNEY GENERAL OF THE NATION, SO THAT
IT MAY STUDY THE POSSIBILITY OF WHETHER OR NOT TO PAY TO THE ADA
CONSORTIUM, SOME AMOUNT IN RELATION TO THE INVESTMENTS WHICH
SAID CONSORTIUM AFFIRMS TO HAVE MADE IN THE GULF OF GUAYAQUIL.
5. THAT IF THE COMMISSION SHOULD FIND POSSIBILITIES TO MAKE PAY-
MENT TO THE ADA CONSORTIUM, THE AMOUNT OF THAT (PAYMENT) BE
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ESTABLISHED THROUGH A SPECIALIZED AUDIT IN RELATION SOLELY TO
THE WORKS WHICH MAY BE CONSIDERED USEFUL TO THE STATE IN THE
EXPLORATION AND EXPLOITATION OF THE HYDROCARBON AREAS IN THE
GULF OF GUAYAQUIL.

RESOLUTION TAKEN BY THE COMMISSION.

1. THAT THE ADA CONSORTIUM PROVE, BY MEANS OF DOCUMENTS, ITS

CURRENT LEGAL STATUS.

2. THAT IT ALSO BE ESTABLISHED, BY MEANS OF DOCUMENTS, WHO
MADE THE INVESTMENTS IN THE GULF OF GUAYAQUIL.

3. THAT THE AMOUNT OF SAID INVESTMENTS BE ESTABLISHED, BY MEANS
OF A SPECIALIZED AUDIT CONTRACTED BY THE STATE, IN RELATION
SOLELY TO THE WORKS THAT ARE CONSIDERED USEFUL AND SERVE FOR
THE WORKS OF EXPLORATION AND EXPLOITATION OF HYDROCARBONS
IN THE GULF OF GUAYAQUIL.

4. THAT AFTER THESE POINTS HAVE BEEN CLEARLY ESTABLISHED AND
DULY DOCUMENTED, THE COMMISSION BEGIN TO ANALYZE THE POSSIBILITY
OF WHETHER OR NOT TO MAKE PAYMENT TO THE SO-CALLED ADA
CONSORTIUM.

END TEXT
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